

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BUCAR 00037 041440Z  
ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 /020 W  
-----041444Z 067600 /65  
R 041352Z JAN 77  
FM AMEMBASSY BUCHAREST  
TO USDOC WASHDC  
INFO SECSTATE WASHDC 987

LIMITED OFFICIAL USE BUCHAREST 0037

E.O. 11652: N/A  
TAGS: BTIO, ECEM, RO  
SUBJ: ROMCHIM'S NEGOTIATIONS WITH PETROTEX  
REF: (A) USDOC 23090, (B) BUCHAREST 7518

1. EMBOFF MET JANUARY 4 WITH ROMCHIM'S DEPARTMENT 32 CHIEF ELENA RADU TO DISCUSS PETROTEX NEGOTIATIONS FOR BUTYLSTYRENE RUBBER PLANT (REFTELS). EMBOFF RECONFIRMED THAT NEGOTIATING POSITIONS ON FINANCING WERE FAR APART, ALTHOUGH ROMCHIM STILL INTERESTED IN PETROTEX TECHNOLOGY AND LICENSE IF THREE MAJOR OBSTACLES CAN BE OVERCOME:

(A) PRICE FOR TECHNOLOGY, LICENSE, AND "BASIC ENGINEERING" IS TOO HIGH. WHILE ROMCHIM IS STILL INTERESTED IN PROJECT, IMPRESSION GIVEN THAT PRICE IS STRETCHING ROMCHIM'S RESOURCES AND IT IS BEGINNING TO CONSIDER LESS AMBITIOUS POSSIBILITIES.

(B) RADU WAS PESSIMISTIC THAT EXIMBANK WOULD WAIVE POLICY OF FINANCING ONLY EQUIPMENT PURCHASES IN ORDER TO FINANCE PETROTEX PROJECT (REF A). PRELIMINARY COMMITMENT TO FINANCE NEEDED FROM EXIMBANK OR OTHER LENDING INSTITUTION BEFORE RESUMPTION OF NEGOTIATIONS.

(C) WHILE RADU AGREED THAT GUARANTEE PROBLEM NOT AS SERIOUS AS OTHERS, ROMCHIM INSISTS ON PERFORMANCE GUARANTEE AS WELL AS GUARANTEE OF FREE UTILIZATION OF TECHNOLOGY IN ROMANIA.

2. ASSUMING ABOVE OBSTACLES COULD BE LARGELY RESOLVED VIA DIRECT LIMITED OFFICIAL USE

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CORRESPONDENCE, ROMCHIM WOULD WELCOME VISIT BY PETROTEX REPRESENTATIVE TO ROMANIA TO WORK OUT FINAL DETAILS. PROJECT IS DEEMED URGENT BY ROMCHIM, WHICH WOULD LIKE TO SEE PRELIMINARY COMMITMENT BY PETROTEX BY END OF JANUARY TO NEGOTIATE CONTRACT, A TIME FRAME WHICH IN VIEW OF LONG HIATUS IN COMMUNICATION AND CONTINUING DIFFERENCES BETWEEN TWO PARTIES EMBOFF FINDS UNREALISTIC.

3. RADU BELIEVE BUT WAS NOT CERTAIN THAT DECEMBER 21 COUNTER-  
PROPOSAL TO PETROTEXT THROUGH ROMANIAN EMBASSY IN WASHINGTON WAS  
ACTUALLY SENT. SHE AGREED TO CHECK BOTH HERE AND WITH EMBASSY AND  
TO REPORT BACK TO EMBOFF.  
BARNES

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** RUBBER, NEGOTIATIONS, INDUSTRIAL PLANTS, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 04-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BUCHAR00037  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770003-0159  
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**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 BUCHAREST 7518  
**Retention:** 0  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** ROMCHIM'S NEGOTIATIONS WITH PETROTEX  
**TAGS:** BTIO, ECEM, RO, ROMCHIM  
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**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009